Introduction of National Investment Law

162. SHRI IQBAL SINGH:
SHRI SURESH PACHOURI:

Will the Minister of FINANCE be pleased to state:

(a) whether the high level committee on balance of payments headed by the RBI Governor has recommended the introduction of national investment law codifying the existing policies and practices relating to dividend repatriation, disinvestment etc.;

(b) if so, what are the main recommendations made by the committee;

(c) whether Government has examined these recommendations; and

(d) what steps have been taken to implement them?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) Yes, Sir. The report submitted in April, 1993 has made such a suggestion.

(b) The Committee, having recognised the concerns of the foreign investors, recommended that (i) a National Investment Law be seriously considered codifying the existing policy and practices relating to dividend repatriation, disinvestment, non-discrimination subject to conditions that may be specified, employment of foreign nationals, non-expropriation, and sanction and servicing of external commercial borrowings. (ii) Further the Committee has also recommended that such a law could also provide for enabling policy, procedures and institutional framework for approval of investments under non-automatic route, according pioneer status or domestic-investor status. new instruments of private commercial flows, and applicability of local or international laws etc. Such an Investment Law need not in any way exclude consideration of bilateral investment treaties.

(c) and (d) The report has been recently submitted and its recommendnations are under examination.

Passing on of excise concessions to consumers

163. SHRI P. UPENDRA: Will th Minister of FINANCE be pleased to stat

(a) whether Government had announ ed excise concessions to the tune of R 1200 crores in the current year's budge

(b) whether these benefits have bee passed on the consumers by the Trad and Industry; and

(c) if no, what action Government ar proposing to take against such trade and industrialists who have not passe these benefits to conusmers?

THE MINISTER OF STATE IN TH MINISTRY OF FINANCE (SHRI M. V CHANDRASHEKHAR MURTHY): (a to (c) The Government had announce reduction in excise duty to the tune Rs. 1249 crores in the 1993-94 budge Excise duty exemptions are given fc achieving different objectives like reducin input costs, protecting small scale secto promotion of export etc. It is expecte that some of these concessions shoul result in reduced prices to consumer However, Government does not enforc price control on most manufactured pr ducts. Market prices are generally dete mined by a multiplicity of factors, o of which duty of excise is one.

While, there is no legal mechanism t enforce reduction in price to the exte of reduction in excise duty, dialogue wit concerned Association or Industry ar held a view to understand their view poin

Merger of Cooperative Banks

164. SHRI SHIV PRATAP MISHRA Will the Minister of FINANCE be please to state:

(a) whether RBI has proposed merg of weak urban cooperative banks;

(b) if so, what are the details thereo and

(c) what action has been taken by Gov ernment thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER IF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) to (c) Reserve Bank of India (RBI) considers the question of merger of Weak Urban Co-operative Banks which have not prospect of becoming viable, with strong Urban Cooperative Banks in consultation with Registrar of Cooperative Societies of the respective States on an ongoing basis. During the year 1993, six such banks were amalgamated or were in the process of amalgamation. Government had RBI. Particulars of these banks are given below:—

Name of week bank (Transferrer Bank)	Name of the bank taking over (Transferee Bank)
1. Swastik Janata Sahakari Bank Ltd., Bombay.	Janata Sahakari Bank Ltd., Pune.
2. Kolhapur Sahakari Bank Ltd., Bombay.	Solapur Janata Sahakari Bank Ltd., Solapur.
3. Barsi Central Urban Co-op. Bank Ltd., Barsi. Distt Solapur.	Osmanabad Janata Sahakari Bank Ltd., Osmnabadl
4. Punjab Urban Co-op. Bank Ltd., Pune.	Sangli Urban Cooperative Bank Ltd., Sangli,
5. Dhule Peoples Co-op. Bank Ltd., Dhule	Jalgaon Janata Sahakari Bank Ltd., Jalgaon.
6. Nagpur Urban Co-op. Bank Ltd., Nagpur.	Saraswat Coop. Bank Ltd., Bombay.

Factors hindering tax reforms

165. SHRI SHIV PRATAP MISHRA: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to a statement of fiscal advisor to Finance Ministry, Raja J. Chelliah as appeared in the Indian Express of 12th June, 1993 wherein it has been stated that mounting inefficiency and unduly protected labour were the constraining factors leading to the success of reforms; and

(b) if so, what measures Government purpose to take in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) Yes, Sir.

(b) In order to introduce more efficiency in the functioning of the economy, Government have initiated measures to increase internal and external competition. The Government have set up the National issued orders of moratorium in respect of these banks on the recommendations of Renewal Fund as a safety net to safeguard the interests of labour that may be displaced due to restructuring.

Disinvestment by Public Sector Enterprises

166. SHRI P. UPENDRA: Will the Minister of FINANCE be pleased to state:

(a) whether Government are proposing to withdraw restrictions from some of the public sector enterprises by disinvesting its entire stake in the company; and

(b) if so, what are the details of this proposal and what are the reasons for the same?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) No, Sir.

(b) Does not arise.